

# China boosts military spending: signs of a US-fuelled arms race

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China's annual National Peoples Congress (NPC), which began on Monday in Beijing, announced a 17.8 percent increase in the military budget to nearly \$45 billion—the highest jump since the mid-1990s. While Chinese leaders did not openly say so, the sharp increase is a response to the threat posed by the eruption of American militarism.

Chinese Premier Wen Jiabao announced the military budget in his NPC report, arguing for the need to modernise the country's 2.3-million strong, but technologically limited, Peoples Liberation Army (PLA). "We will intensify defence-related research and efforts to produce advanced weaponry and equipment," he said. The spending increase followed a rise of 14.7 percent last year.

The official goal of military modernisation is "defensive" and to prevent Taiwan from declaring a formal independence. But the real motive is to counter the growing American strategic encirclement of China with US allies and bases. Estimates put the general technological level of the Chinese military at least two decades behind the US and other Western powers. Since the early 1990s, however, China's rapid economic growth has enabled significant investment in the military, disrupting the balance of power in North East Asia.

Top US officials reacted immediately to the announced military budget, reiterating Washington's standard demand for "greater transparency". Visiting US Deputy Secretary of State John Negroponte demanded China explain its "plans and intentions". US national security spokesman Gordon Johndroe declared: "This is inconsistent with China's policy of peaceful development. We hope they will demonstrate more transparency in the future."

These comments are in line with the criticism by US

Vice President Dick Cheney during his trip to Japan and Australia last month. He criticised China's rapid military build-up and its test of an anti-satellite missile in January as "inconsistent" with Beijing's stated goal of "peaceful rise". At the same time, however, Cheney's support for closer defence ties between Japan and Australia only underscored the fears in Beijing of Washington's efforts to build security pacts directed against China.

NPC spokesman Jiang Enzhu responded to the US criticisms by stating that China "has neither the wherewithal nor the intention to enter into an arms race with any country" and posed no threat to any country. He pointed out that Chinese military spending is "modest" compared to the massive US defence budget of \$532.8 billion. Jiang explained the increases were mainly to lift the living standards of poorly-paid peasant soldiers.

Foreign ministry spokesman Qin Gang expressed the frustration in China's ruling circles over Washington's hypocritical calls for more transparency. "What's your response if your neighbour keeps peeking into your house through a crack in the door and yelling 'Open the door, let's see what's inside?'" he exclaimed. "Will you call the police?"

The exchange of words between US and Chinese officials reflects the tensions between the two countries. Since 2001, the Pentagon has published annual reports exaggerating the Chinese military threat to justify its own massive spending. In turn, Beijing has accused the US of having an "ulterior motive" in criticising China and wanting to establish American "hegemony" over other countries.

The strategic and economic interests of the two countries are on a collision course. The American-led invasion of Afghanistan established a US military

presence in Central Asia, which China considers its backyard and where it has significant oil and gas interests. The US occupation of Iraq and menacing moves against Iran threaten Beijing's energy investment plans in the Middle East. For its part, China is rapidly increasing economic and diplomatic ties in Asia, Africa and Latin America—often at expense of US interests.

The clearest indication of the Bush administration's hostile stance was its decision last week to sell 450 advanced missiles worth \$421 million to Taiwan to arm the island's 150 F-16 jet fighters. Buoyed by the sale, the Taiwanese military tested a cruise missile last Friday capable of striking deep inside China. Last Sunday Taiwanese President Chen Shui-bian provocatively declared that Taipei "wants independence".

While Washington argued that the missile sale was necessary to maintain stability and military balance in the region, the Chinese government denounced the decision as "rude interference" into its internal affairs. Beijing regards Taiwan as a renegade province and has threatened military action in the event that Taipei declares formal independence. China called for the immediate cancellation of the missile sale, which was rejected by the Bush administration.

Beijing fears that Chen, who leads the pro-independence Democratic Progressive Party (DPP), may use his last two years in office to push for "de-jure" independence through constitutional reforms. The Chinese leadership is not prepared to compromise. It has exploited the issue of Taiwan to promote Chinese nationalism as a means of diverting growing social tensions in China itself. In 2005, China passed an "anti-secession law" to formalise the threat of armed force if Taiwan declares independence.

The Bush administration continues to adhere to the one-China policy, which formally recognises Chinese sovereignty over Taiwan, but continues to oppose any Chinese takeover of the island by force. Using this pretext, the White House has continued to supply sophisticated weapons to Taiwan. Beijing increasingly regards a heavily-armed, hostile pro-US regime in Taiwan as a strategic threat.

Taiwan is just one part of the emerging US strategic "containment" aimed against China, which includes formal military alliances with Japan, South Korea and

Australia, growing strategic relations with India, the US occupation of Afghanistan, and US military bases in Central Asia. In response, China is seeking to develop an "active defence" with strike capabilities beyond immediate Chinese territory.

A new report by the US Office of Naval Intelligence obtained by Agence France Presse last week warned that China is focussing on building submarine and anti-ship missiles to counter US aircraft carriers, not just near the Chinese coast, but in the Asia Pacific region. China is adding five new Type 094 nuclear-powered submarines, each with 16 long-range ballistic missiles, as a sea-based nuclear deterrent force. "In order to protect oil and other trade routes, the PLA (N) [Chinese navy] is beginning to develop the foundation of a naval capability that can defend sea lines of communications," the report said.

The expanding Chinese military budget is just one more sign that the Bush administration's aggression in the Middle East and Central Asia is encouraging a new arms race as its Asian and European rivals to seek the means to defend their vital economic and strategic interests.



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